

... FROM CONCEPT TO PRODUCTION

Quantum Hydrogen Prius

Andris R. Abele Executive Director, Strategic Development

> ARB ZEV Technology Symposium Sacramento, CA September 25-27, 2006



Why Hydrogen and HICE?

- Enable energy diversity
 - Hydrogen production from a variety of sources, including renewables
- Low tailpipe emission potential
 - Virtually no HC's, CO, CO₂, and PM
 - Low NO_x potential
- Cost-effective
 - Relative to fuel cells
- Near-term technology availability
 - Now, not 10 years from now

HICE Added Benefits

- "De-mystification" of hydrogen
 - Familiar technology in familiar vehicles
- Lay public education
 - Technology and vehicle transparency
- Permitting authorities familiarization
 - Facilitation of hydrogen C&S, based on mature technologies

SCAQMD HICE Vehicle and H₂ Infrastructure Program

- Objective: To demonstrate the viability of hydrogen as a vehicle fuel in conjunction with hydrogen fueling stations
- RFP released July 11, 2003
- Award to Quantum approved March 5, 2004
- First 5 vehicles to AQMD for evaluation in Q3 2005.
- Deliveries of 25 vehicles to 5 cities completed in Q2 2006
 - Burbank, Ontario, Riverside, Santa Ana, Santa Monica
 - Scheduled as H₂ refueling stations were completed
- Training of representatives from AQMD and all City staff completed



Performance Targets

- Drivability
 - Similar to base gasoline
- Cargo Capacity
 - Interior space unchanged from production vehicle
- Refueling
 - Compressed gas coupling installed in gasoline fill cup area
 - SAE compliant
- Emissions
 - SULEV
 - Negligible CO₂ emissions
- Range
 - Compressed H₂ ~ 60-80 miles

Verification Testing

- Mileage Accumulation
 - 10,000 miles
 - Highway / City Driving Cycle
- Engine Durability
 - 200 hour accumulation
- Barrier
 - No current federal requirements exist for hydrogen fuels
 - FMVSS 303 for compressed natural gas as appropriate
 - Front, Rear Moving and Side Move barrier hits

HICE – What does it take?



















Interest Increasing Worldwide

H₂ Prius Count

• AQMD: 30

eVermont:

• LLNL: 1

American Wind Power (NY):

• HyNor (Norway): 15

• ARB: 4

• Stay tuned: ?



What's Next?

- Extended range package for H₂ Prius
 - Additional tank to increase range to >100 miles
- H₂ Ford Escape Hybrid
 - Concept under development for US Army National Automotive Center
- H₂ PHEVs





Challenges for HICE

- Liquid vs. gaseous fuels
 - E85 a domestic renewable alternative fuel receiving significant attention
 - Will hydrogen be more accepted as a gaseous alternative fuel than CNG or LPG?
- Hydrogen safety
 - Perceptions ... misperceptions
- Range What is acceptable?
- Niche or potential volume finding the market
 - Moving beyond government fleets?
- Is being a "transitional" technology good enough?
 - Corporate investment for a niche, short-lived technology?

In Summary

- Over 30 H₂ Priuses in operation
 - Extensive testing completed
 - In use experience growing
 - Inquiries from around the world continue to come in
- Refueling infrastructure being implemented to support HICE and FC vehicles
- Challenges remain
 - Cost (limited production)
 - Range (maintain passenger and storage capacities)
 - Warranty (base vehicle impact)





Special Thanks

 To the South Coast AQMD for its foresight, leadership, and funding support to turn a concept into reality – a reality that has caught the interest of hydrogen programs worldwide.





... FROM CONCEPT TO PRODUCTION

QTWW.COM Nasdaq: QTWW

